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# **Fairness perceptions and organizational misbehavior: an empirical study**

## **Abstract**

Employees evaluate the fairness or justice of their workplace: does one get what one deserves at work? Organizational scholars consider perceived workplace fairness to be a relevant factor in predicting and explaining organizational misbehavior. For instance, Treviño and Weaver found in their study that the more employees perceive that their organization is just, the less they perceive their colleagues to be engaged in behavior that harms the organization. This hypothesis was retested with an alternative measure of organizational misbehavior in 19 Flemish governmental organizations, and confirmation was found. Moreover, the effect holds when controlling for integrity policy, leadership, tenure and gender.

## **Introduction**

Research interest in business ethics (e.g. Roberston, 2007) as well as in administrative ethics (e.g. Cooper, 2001) has been growing in recent years. Numerous studies have attempted to explain organizational ethics by focusing on antecedents such as ethical climate (e.g. Martin & Cullen, 2006; Maesschalck, 2004; Vardi, 2001; Victor & Cullen, 1988, 1987), ethical culture (e.g. Treviño, 1990), ethical leadership (e.g. Lasthuizen, 2008; Brown & Treviño, 2006; Treviño et al., 2000), ethics policies (e.g. Menzel, 2007; Singh, 2006) and codes of ethics (e.g. Grundstein, 2001; Somers, 2001), to name just a few. However, as Treviño and Weaver (2001) argue, a factor that is strikingly absent in the explanation of organizational misbehavior, is perceived fairness (e.g. Martinson et al., 2006. Treviño & Weaver, 2001). In an attempt to strengthen and extend our knowledge of this link, this article reexamines the relationship between perceived organizational justice or fairness on the one hand and organizational misbehavior on the other. It will do so in another context than the Treviño and Weaver study, thus contributing to our knowledge on the generalizability of the fairness-misbehavior relation.

Before specifying the specific cultural setting, we first provide a brief overview of the literature and present the central hypothesis. We then present the research methods and the results of the empirical study. The article concludes with a discussion of the implications of the study.

## **Fairness and its link with organizational misbehavior**

Throughout this paper the term organizational justice or fairness will be used to refer to “a fundamental social expectation that motivates behavior” (Treviño & Weaver, 2001:652). Scholars consider perceived fairness to be significant for organizational theory and practice for multiple reasons (Colquitt et al., 2005). Tyler and Lind (1992), for example, notice that perceived organizational justice can increase the legitimacy and trustworthiness of organizational authorities. Those are factors which are supposed to reduce fear of exploitation (Lind, 2001), provide an incentive to cooperate with one’s co-workers (Lind, 2001) and discourage various forms of disruptive behavior (Greenberg & Lind, 2000).

Several authors have attempted to develop a theoretical account of the relationship between fairness on the one hand and disruptive organizational behavior on the other. Two of the most prevalent theoretical frameworks are fairness heuristic theory (Van den Bos et al., 1997) and equity theory (Adams, 1965). We briefly address each of them in turn.

The concept of cognitive heuristics is drawn from psychology. It indicates that when we are confronted with much information and/or have to make a decision, we resort to mental shortcuts or heuristics to process the large amount of information. A judgment heuristic can be defined as “a mental assumption or quick rule of thumb that people use to judge quickly and efficiently” (Aronson et al., 2007:79 - our translation). In elaborating fairness heuristics theory, Van den Bos et al. (1997) argue that employees use their general impressions of the fairness of their organization as a main guideline or heuristic when they evaluate their relationship with their organization, or, as proposed in a subsequent study by Van den Bos et al. (1998), when they estimate the trustworthiness of the organization. This evaluation, in turn, is considered to guide employees' behavior. In applying this theory, Treviño and Weaver suggest that the employees who perceive their organization as fair “will sense no need to balance the scales of justice by looking for opportunities to improve their own outcomes at the organization's expense” (2001:652). So when employees think about their workplace as fair, it is less likely they will try to compensate by engaging in behavior which is possibly harmful to the organization.

Equity theory on the other hand, claims that employees balance their contributions to the organization (effort put in their work, skill, training, experience, intelligence, etc.) to what they get out of this contribution (pay, intrinsic rewards, job status, seniority benefits, etc.) forming an input/outcome ratio (Greenberg & Colquitt, 2005; Adams, 1965). Employees compare this ratio to the ratio of a significant referent group or person or to their own ratio at an earlier time. If their own ratio does not equal the referent's, inequity is experienced. An inequity that is the result of one's own ratio falling below the referent's, results in feelings of anger. In case one's own ratio surmounts the ratio of the referent, an inequity is experienced which results in feelings of guilt (Greenberg & Colquitt, 2005; Adams, 1965). Equity theory predicts some behavioral effects originating from these feelings. Employees experiencing inequity will try to restore the input/outcome balance, either by action (for example through adjusting the quality or quantity of their work) or by cognitive adaptations (for example by choosing other referents). As the behavioral restorative actions can be to the disadvantage of the organization and/or amount to misbehavior, equity theory could be used to hypothesize an association between employee misbehavior and perceived organizational justice (or equity): the former can be the result of acting on the latter.

Drawing on this, Treviño and Weaver hypothesized that “the more employees perceive that their organization is just, the less employees will engage in unethical conduct that harms the organization” (2001:653). They used data from a survey on compliance management in four private sector organizations to test this hypothesis<sup>1</sup>.

The hypothesis was confirmed by the data: the observed unethical conduct was higher where employees perceived less general fairness ( $t = -13.58$ ,  $p < 0.01$ ) (2001:662).

### **Fairness and its link with organizational behavior: the Flemish public sector**

As was already indicated above, the current study aims to test the relationship between fairness perceptions and organizational misbehavior in another context than Treviño and Weaver (2001), since the universality of this relationship does not speak for itself. Therefore, the study will be carried out in a West-European public sector setting, specifically in Flanders, the Dutch speaking region in the North of Belgium.

At first sight, we could consider the public and private sector to be different. We might, for instance, consider the public sector to differ with regard to its values and norms (e.g. neutrality, objectivity, legality), the nature of its tasks (e.g. those related to the state monopoly on coercive power), or its social structure and human resource management (e.g. employee contracts with specific legal protections) (e.g. Raadschelders, 2003). Following this reasoning, one could also suppose particular types and effects of perceived fairness in the public sector. Nonetheless, it seems that until now research has not provided conclusive evidence with regard to the proposed difference between the public and the private sector in general (e.g. Kurland & Egan, 1999). So, it is not clear whether it would be reasonable to expect different fairness effects in public and private sector organizations. More empirical evidence is needed and the current article aims to contribute to this by testing the influence of fairness perceptions on organizational misbehavior in a public sector context.

Hofstede (1980)'s research suggests that there are specific cultural differences between nations - culture being defined along the dimensions of power distance, individualism, masculinity and uncertainty avoidance. As culture is argued to be related to perceived fairness and employee misbehavior (e.g. Brockner et al., 2000), one might hypothesize that the link between fairness perceptions and organizational misbehavior differs depending on the cultural context. Evidence that the hypothesized relationship holds in different cultural conditions will thus add to the strength of it.

Taking into account the particular Flemish public sector setting, the following hypothesis is formulated: The more employees in the surveyed Flemish government organizations perceive their organization to be just, the less they engage in organizational misbehavior.

It is important to note that the dependent variable in this hypothesis (organizational misbehavior) will not be measured by a self-report measure. In an attempt to reduce social desirability bias, observed behavior of colleagues is used as a proxy-measure for personal behavior. This choice implies a number of limitations that are acknowledged and will be addressed in the last sections of this article.

## **Methods**

### **Data collection**

The data used in this contribution were collected in 2007 – 2008, by means of a web survey in the Flemish government. A two step sample procedure was applied. First, all entities (about 70) of the regional government, informed and invited by a coordinating body and an ethics committee, were free to participate in this study. Nineteen entities decided to participate. Second, all public servants (i.e. the total population) within these entities (N=7060) were sent an e-mail request with a personalized URL-link for the questionnaire. 7017 of these online surveys reached the respondents. Follow-up was done by sending reminders, news flashes and a regularly updated top five of the entities with the highest response rate. In total 3386 (48.3%) public servants returned the questionnaire.

The aim of the research project “Integrity at the workplace” was two-fold (Delbeke et al., 2008). First, the researchers were to design a survey tool, suited for self application by government administrations. Second, a measurement instrument would provide the participating entities with complementary information on their organizational integrity. It included measures on organizational misbehavior, ethical climate, leadership, ethics policy, and fairness perceptions. To furnish the researchers with additional information on some methodological aspects of integrity measurement, the survey was tested and spread using a split ballot format. For an extensive overview of the split ballot design, see Wouters et al. (2009). In this experiment, questions concerning organizational misbehavior with response format ‘anchors’ (i.e. never 0-1-2-3-4 often) were compared with response format ‘labels’ (i.e. never - one time - several times - regularly - often). Wouters et al. (2009) concluded that the choice of the response format for these questions has an important impact on the results. In particular, they found a difference on the index of organizational misbehavior between respondents in both experimental conditions. The format ‘anchors’ questionnaire resulted in a higher mean and more dispersion compared to the ‘labels’ condition.

Using the same dataset as Wouters et al. (2009) and considering the differences between the split ballot conditions, we only included the respondents in the anchors condition because of the higher mean and dispersion. Respondents were randomly assigned to one of the experiment conditions; the questionnaire that we used was sent to 3468 public servants, of which 1661 (47.9%) returned the survey. Due to item non-response on one or more of the relevant items, the effective sample size for analysis was 894 respondents, which amounts to a response rate of 25.8%.

## Measures

Organizational justice or fairness was measured using the scale adopted from Treviño and Weaver (2001). It consists of nine items covering perceived general justice (2 items), distributive justice (5 items) and interactional justice (2 items)<sup>2</sup>. Table 1 gives an overview of the items. The imbalance of items between the dimensions of the concept follows the original study by Treviño and Weaver. They created separate questions for fairness and ethical culture, but at the time of analysis, they discovered that some items originally meant for ethical culture were highly correlated with the fairness items. These items then became part of the distributive dimension (personal communication Treviño, 17 March 2009). The instrument also does not include a fourth dimension of fairness, namely procedural justice<sup>3</sup>. Because of limited space and the diversity of the companies in the study, Treviño and Weaver decided not to include this dimension (personal communication Treviño, 04 July 2007; 17 March 2009). In order to retest their hypothesis, we adopted the original scale.

\*\*\* INSERT TABLE 1 ABOUT HERE \*\*\*

The items were translated and the original answering scale, a five-point scale anchored by 'strongly disagree' and 'strongly agree', was replaced by the scale that was used for most other questions in our survey: a six-point scale anchored by 'strongly disagree' (score 1) and 'strongly agree' (score 6). A further adaptation was the replacement of the term 'organization' by the term 'entity', which is the current denomination for the organizations of the Flemish government. Despite the different theoretical dimensions of the concept, Treviño and Weaver (2001) report a one factor solution of the factor analysis, indicating the existence of a general fairness heuristic in the minds of the respondents. Our data confirmed the one factor solution, and resulted in a Chronbach alpha of 0.94 (table 1).

Organizational misbehavior was measured with twenty-eight questions concerning observed behavior in the workplace of the respondent. The questions were drawn from the instrument 'integriteitmeter' of the Dutch bureau of integrity in Dutch municipalities (2007) and slightly adapted to fit the regional context. It is based on the ten theoretical types of organizational misbehavior distinguished by Huberts, Pijl and Steen (1999): private time misconduct, indecent treatment, waste and abuse of organizational resources, favoritism, misuse and manipulation of information, corruption, improper use of authorities, fraud and theft of resources, conflict of interest through gifts, and conflict of interest through activities outside the job. Given the overall length of the survey, twenty-eight items were selected out of the more than sixty available, taking the representation of each theoretical type into account. In addition, types of misbehavior only supervisors can commit were omitted, as there would be an overlap between these observations (the dependent variable) and perceptions of fairness (the independent variable). The instrument measures both the frequency and acceptability of the described behaviors. Respondents were asked to indicate for each item: (1) 'How often did this occurrence take place during the past year in the workplace?' and (2) 'Do you find this occurrence acceptable?'. Numerical five point scales were used, representing the choices 'never-0-1-2-3-4-often' and 'never-0-1-2-3-4-always' respectively. The use of the neutral term 'occurrence' and the fact that respondents were asked to indicate perceived occurrences involving anyone of the entity (as opposed to asking to report on personal misbehavior), were expected to reduce the possibility of social desirability bias.

For statistical analysis, one of the assumptions of Ordinary Least Square estimates is that the errors are normally distributed. If this assumption is not met, a traditional multiple regression analysis will not be feasible. Since summing the frequency items leads to a skewed dependent variable, a dichotomization of those items was preferred (Osgood et al., 2002). Each question was recoded into 0 (original score 0) and 1 (original scores 1 to 4) and then summed into an index going from 0 to 28. Hindelang, Hirschi and Weis indicated in Osgood et al. (2002), that this method was the most successful among several alternatives. A plot of the observed residual distribution against the expected distribution shows the normality assumption is met with the 'dichotomized' index. This results in a measure of the number of different observed organizational misbehavior types. However, the index has to be interpreted with caution for two reasons. First, the summative approach does not take the seriousness of the types of misbehavior into account: for example, corruption has the same weight as gossiping. Second, not all types of organizational misbehavior are defined as misbehavior in all entities; this depends upon the ethics policy.



Finally, we included some control variables: gender, tenure, five items measuring ethics policy and ten items measuring leadership. The items for ethics policy came from two different sources: the 'integriteitmeter' (2007) and the scales 'follow up on reports' and 'unethical conduct punished' of Treviño (personal communication Treviño, 04 July 2007). The respondents had to evaluate the statements on a six-point scale again anchored by 'strongly disagree' (score 1) and 'strongly agree' (score 6). Leadership was measured with the translated version of the 'Supervisory ethical leadership scale' (Brown, Treviño and Harrison, 2005) used in the 'integriteitmeter' (2007). The scale (alpha: 0.95) consists of 10 items covering items that refer to the concept "moral person" (e.g. my direct supervisor listens to what employees have to say), as well as to the concept "moral manager" (e.g. my direct supervisor defines success not just by results but also by the way in which they are obtained). Spearman correlations between all theoretical variables are shown in table 2.

\*\*\* INSERT TABLE 2 ABOUT HERE \*\*\*

## **Analysis**

Due to the multistage sampling design (i.e. public servants within nineteen organizations), we first had to check for dependency in the data. More specifically, individuals working in the same entity can be expected to be more alike than respondents from a random sample. If this is the case, a multilevel model where the public servants are clustered within organizations is needed. With an anova test ( $p < 0.001$ ) in SPSS, significant differences on the index of organizational misbehavior were discovered between at least two entities, indicating that dependency in the data could be possible. To model this dependency and correct for the design effect, a multilevel model was fitted with organizational misbehavior and fairness, using MLwiN. However, there was no significant variance at level two (the organizations), which indicates a multilevel model was not necessary. We can assume that public servants in this respect do not differ more from colleagues of other entities than they differ from colleagues within the same organization.

The theoretical model outlined above was then tested with a hierarchical multiple regression analysis in SPSS after controlling for multicollinearity. Finally, the most efficient model was obtained by excluding non-significant effects one by one.

## **Results**

## **Integrity at the workplace**

Appendix A shows a table with the observed prevalence of the twenty-eight types of organizational misbehavior. The most common types are minimal effort by employees (observed by 56.2% of the respondents), gossiping (53.9%), use of internet, e-mail or telephone above the permitted standard (53%), accepting small gifts from external parties (43.5%) and falsely reporting in sick (42.7%). Deliberately giving false information in reports and/or policy documents (10.2%), accepting bribes (money or favors) to do or neglect something while at work (9.5%), accepting gifts of more serious value from external parties (9.3%), sexual intimidation (9.3%) and selling confidential information to third parties (4.0%), on the other hand are less often observed. Perceived acceptability (expressed in the average score on the five point scale) is also displayed in the table (appendix A). Interestingly, all types of organizational misbehavior receive a low score on acceptability, except one that seems to be a bit less unacceptable than the others (i.e. receives a value higher than 1): accepting small gifts (1.16). A possible explanation might be that the code of conduct of the government does not strictly forbid the acceptance of gifts.

## **The relationship between fairness and organizational misbehavior**

Table 3 shows the results of the multiple regression analysis. The first model only includes the demographic variables, while in the second model the theoretically relevant variables are added. The third model represents the most parsimonious model where the non-significant effects are excluded. The four remaining variables explain 16.1% of the variance in organizational misbehavior. Fairness has a moderate and negative effect on organizational misbehavior, indicating that, controlling for all other variables in the model, the more public servants perceive their organization to be fair, the less they observe different types of organizational misbehavior. This confirms the relationship found by Treviño & Weaver (2001).

\*\*\* INSERT TABLE 3 ABOUT HERE \*\*\*

Although all policy items had a significant negative effect on organizational misbehavior in a bivariate regression model, only two of them hold in this multivariate model. Specifically, public servants who find that there is a good procedure in their entity for reporting integrity violations, and those who believe that unethical colleagues will be punished, observe significantly less misbehavior than public servants who do not find or believe this. Finally, there is a difference between men and women; men observe more types of misbehavior than women.

## Discussion and conclusion

Drawing on equity theory (Adams, 1965) and fairness heuristics theory (e.g. Lind, 2001), Treviño and Weaver (2001) hypothesized that fairness perceptions influence behavior. Specifically, they predicted that respondents who perceive their workplace as unfair are more likely to behave unethically. In their study on ethics/compliance management, Treviño and Weaver (2001) found indeed a strong negative effect of perceived general justice on observed misbehavior within four private companies. The aim of the current study was to explore the relevance of this hypothesis in the public sector organizations of the Flemish regional government and so add to our knowledge on its generalizability. After discussing some limitations, we elaborate on the results concerning the frequencies of organizational misbehavior, the acceptability of the different types and the relationship between fairness perceptions and misbehavior.

Before the results and the implications of this study can be discussed, some limitations need to be considered. A first limitation is that the analysis occurred at the level of the individual, and, therefore, no statements can be made at the organizational level. It would be particularly interesting, in future research, to understand the association between general perceived fairness in an organization and the amount of misbehavior in that organization. Future research might examine this link at a higher level of analysis.

Second, proxy-reporting was preferred to self-reporting in an attempt to reduce social desirability bias. Therefore, we can only speak about the prevalence of different types of organizational misbehavior as observed by the respondent, and not about more or less committed misbehavior. This, combined with the fact that vague quantifiers were used as anchors in the answering scale, limits the strength of our conclusions. Yet, this does not mean a priori that proxy-reporting itself leads to a misrepresentation of the level of misbehavior in an organization. Future research might investigate to what extent population estimates actually differ between self-report and proxy-report. Moreover, it would be interesting to compare the survey measures with information about internal investigations for the same organizations<sup>4</sup>. Although we acknowledge that those official reports underestimate the amount of misbehavior in an organization, it might be possible that this underreporting in case of the self and proxy-reporting are of the same level. Huberts et al. (2006) discuss the possibilities and problems of those methods, and conclude that for an understanding of the complexities of integrity violations, triangulation is necessary. Nevertheless, for some type of conclusions, self-reporting will remain necessary. If one is interested – which is often the case for policy makers – in influencing individual behavior, research should obtain information about the individual correlates.

The study first examined the prevalence of organizational misbehavior. Analysis revealed that this was low to very low for all items. The types that were most prevalent were minimal effort by employees, gossiping, and use of internet, e-mail or telephone above the permitted standard. A number of types are reported to occur very rarely: accepting gifts of more serious value from external parties, sexual intimidation, and selling confidential information to third parties. However, these results must be interpreted with caution. First, this does not mean a priori that the most frequently observed behaviors are indeed the most frequently committed types of violations. For example, several public servants can refer to one and only one colleague, since we did not offer the respondents a unique referent colleague, nor asked for the respondent's own misbehavior. Second, perceptions are central in our analysis; public servants may have false impressions about behavior of colleagues and might therefore over- or underreport integrity violations. For example, because of a lack of information, respondents may perceive irregularities, while in fact nothing is wrong. Alternatively, some types of behavior are invisible or hidden from witnesses and are therefore not reported. Third, low observed values offer no evidence of low frequencies in reality. Sometimes respondents are not aware of the problematic nature of the behavior. Possibly, some types of misbehavior are accepted – by the respondent or within the entire organization – and are therefore not defined nor reported as misbehavior.

As for the acceptability of organizational misbehavior, the findings indicated that none of the surveyed types were perceived as highly acceptable. Only one item (accepting small gifts) had an average score higher than 1, possibly because this is not forbidden in the regional government's code of conduct. The results show that although some types of organizational misbehavior occur with some frequency, they are not generally accepted. Thus, public servants who engage in these ways know their behavior will be disapproved of. Yet, the current study cannot determine whether public servants who find a specific type of misbehavior acceptable, will also behave accordingly. This will only be possible by means of self-report data. Nonetheless, the present data are particularly useful for policy makers. Lasthuizen et al. (2002) propose a policy approach for integrity problems. Combining the observed frequency with the acceptability scores, four types of integrity problems are defined: urgent problems (perceived unacceptable, high frequency), recurring problems (perceived acceptable, high frequency), specific problems (perceived unacceptable, low frequency) and non-problems (perceived acceptable, low frequency). Each type of problem requires a specific policy intervention. Our respondents perceived all types of misbehavior as unacceptable; consequently, we are dealing with urgent problems (e.g. laziness) and specific problems (e.g. accepting bribes). Following this framework, the urgent problems require

a preventive as well as repressive policy, including clear rules and reprimands, while the specific problems call for monitoring to avoid escalation (Lasthuizen et al., 2002)

Finally, the relationship between perceived general justice and organizational misbehavior was examined with a multiple regression model. The negative impact of fairness on observed integrity violations, found by Treviño and Weaver (2001), was confirmed in the Flemish public sector with different types of organizational misbehavior. Moreover, the effect holds after controlling for policy and gender. Perceptions of a good ethics policy seem to have a negative effect on misbehavior as well. The confirmation of the theory in a different context is an important finding; it is a first step in testing the generalizability of justice effects across contexts. As Hofstede (1980) suggested, individuals from different cultures have internalized different norms and values. Since fairness perceptions are inherently related to individual norms and values, the generalization of the influence of fairness on behavior is not obvious. Greenberg (2001) and Leung (2005) both concluded that although the importance of fairness might be recognized by people all over the world, their conceptualizations differ. In this replication study however, the effect of fairness on misbehavior is observed in Flanders as it was in North-America. Moreover, the relationship did not only hold in a different national culture, the study was also a first confirmation of the relationship in the public sector. Although the public and the private sector may value different norms, the present study suggests that the effect of fairness on misbehavior holds in both sectors. This adds to the evidence that the link between perceived fairness and employee misbehavior might indeed be generalized across contexts. Of course, since only 19 out of the 70 entities cooperated, this is only a first step; future research should examine this link – and the differences between contexts – more extensively.

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**Table 1. Principal factor analysis for fairness**

Items	Factor loadings
<b>General justice</b>	
In general, this entity treats its employees fairly	.786
Generally employees think of this entity as fair	.694
<b>Distributive justice</b>	
Rewards are allocated fairly in this entity	.857
Employees of this entity are rewarded fairly	.865



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In this entity, people get the reward or punishment they deserve	.853
Being consistently ethical helps an employee advance in this entity	.696
People of integrity get the rewards in this entity	.746
<b>Interactional justice</b>	
Supervisors in this entity treat employees with dignity and respect	.813
Employees can count on being treated with courtesy and respect in this entity	.800

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**Table 2. Spearman correlations theoretical variables**

	1.	2.	3.	4.	5.	6.	7.
1. Organizational Misbehavior	1						
2. Policy: Good procedure to report integrity violations	-.292***	1					
3. Policy : Clear communication how to behave	-.262***	.589***	1				
4. Policy: Integrity as part of evaluation conversation	-.236***	.505***	.562***	1			
5. Policy: Unethical conduct punished	-.286***	.507***	.500***	.516***	1		
6. Policy: Follow-up on reports	-.238***	.411***	.470***	.477***	.610***	1	
7. Fairness	-.337***	.450***	.423***	.453***	.482***	.555***	1
8. Leadership	-.278***	.418***	.452***	.480***	.496***	.648***	.677***

\*\*\*p ≤ .001.

**Table 3. Results of the multiple regression analysis with organizational misbehavior as dependent variable**

Variable	$\beta$ model 1	$\beta$ model 2	$\beta$ model3
<i>Intercept</i>	8.484	18.104	22.168
Tenure			
<i>Started in or after 2000 (ref.)</i>			
Started between 1990 and 1999	.087*	.045	
Started between 1980 and 1989	-.002	-.016	
Started between 1970 and 1979	-.087*	-.070*	
Started in or before 1969	.019	.009	
Gender			
<i>Female (ref.)</i>			
Male	.101**	.104**	.103***
Fairness		-.185***	-.231***
Leadership		-.056	
Policy: Good procedure to report integrity violations		-.078*	-.095**
Policy : Clear communication how to behave		-.010	
Policy: Integrity as part of evaluation conversation		.024	
Policy: Unethical conduct punished		-.125**	-.150***
Policy: Follow-up on reports		-.029	
R <sup>2</sup>	0.27%	16.3%	16.1%

\*  $p \leq .05$ ; \*\*  $p \leq .01$ ; \*\*\* $p \leq .001$ .

## Appendix A

### Observed prevalence and acceptability of organizational misbehavior<sup>5</sup>

Organizational misbehavior types	Prevalence	Acceptability
	Score 1 on dichotomized item (%)	Average score on 6 point scale (1-6)
<b>Private time misconduct</b>		
Setting a bad example in private time	19.4	.44
<b>Indecent treatment</b>		
Gossiping	53.9	.30
Bullying (e.g., teasing, ignoring, or isolating)	33.1	.11
Not reporting illegal behavior	18.3	.22
Discrimination of colleagues based on sex, race or sexual orientation	14.6	.10
Sexual intimidation	9.3	.05
<b>Waste and abuse of organizational resources</b>		
Minimal effort by employees (laziness)	56.2	.34
Falsely reporting in sick	42.7	.25
Neglecting core tasks or responsibilities in order to engage in more pleasant business	34.7	.30
Careless use of organizational properties	33.1	.24

Excessive use of alcohol while on duty	27.0	.36
<b>Favoritism</b>		
Favoring of friends or family outside the organization	20.2	.25
<b>Misuse and manipulation of information</b>		
Careless handling of confidential information	29.8	.17
Unauthorized use of a colleague's password or access code	10.7	.12
<b>Corruption</b>		
Disclosing confidential information to external parties	29.6	.47
Accepting bribes (money or favors) to do or neglect something while at work	9.5	.24
Selling confidential information to third parties	4.0	.07
<b>Improper use of authority</b>		
Deliberately delaying decision-making processes	18.7	.22
Concealing information from the supervisory authorities	22.2	.29
Deliberately giving false information in reports and/or policy documents	10.2	.10
<b>Fraud and theft of resources</b>		
Use of internet, e-mail, or telephone above the permitted standard	53.0	.91
Use of organizational resources for private purposes	39.3	.59
Incorrect handling of expense claims	18.7	.14
Theft of organizational properties	21.4	.09
<b>Conflict of interest through gifts</b>		

Accepting small gifts from external parties	43.5	1.16
Accepting gifts of more serious value from external parties	9.3	.18
<b>Conflict of interests through sideline activities</b>		
Giving advice to externals in private time concerning professional expertise	15.1	.56
Outside activities or jobs that might pose a conflict of interest	14.2	.25

## Notes

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<sup>1</sup> The four private sector organizations were: a telecommunication company, a utility company, and two energy related companies. Each of these companies had a formal ethics program in place. The random samples drawn in the companies consisted of 2.500 out of  $\pm 25.000$  employees in one firm, and, respectively, 2.500/ $\pm 12.000$ , 600/ $\pm 6.000$ , 700/ $\pm 1.500$  in the other firms. The respondents were sent a paper copy of the survey. The overall response rate was 29%, with the four companies obtaining a response rate of respectively 31%, 31%, 29 %, and 28% (Treviño & Weaver, 2001).

<sup>2</sup> In the organisational justice literature distributive justice is defined as the justice of the outcome or reward and interactional justice as the justice of the treatment by superiors and colleagues (Colquitt et al., 2005).

<sup>3</sup> Procedural justice is defined as the justice of the procedures and rules (Colquitt et al., 2005).

<sup>4</sup> The authors would like to thank the anonymous reviewer for making this suggestion.

<sup>5</sup> Items translated from Dutch without forward and backward translation for this article.